BEFORE THE WESTERN WASHINGTON GROWTH MANAGEMENT HEARINGS BOARD

THOUSAND TRAILS OPERATIONS HOLDING COMPANY LP, ET AL,

Case No. 07-2-0022

Petitioners,

٧.

ORDER ON COUNTY'S DISPOSITIVE MOTION TO DISMISS FOR LACK OF JURISDICTION

SKAGIT COUNTY,

Respondent.

## I. SYNOPSIS OF THE DECISION

Skagit County seeks to have Thousand Trails Operations Holding Company's (Thousands Trails) challenge to Skagit County's denial of its proposed comprehensive plan map/zoning map amendment dismissed for lack of Board jurisdiction.

Thousand Trails submitted its proposal to change the designation of its property from Rural to Master Planned Resort (MPR) for consideration in Skagit County's Growth Management (GMA) update required by RCW 36.70A.130(1). The Petition alleged that the denial of its proposed amendment did not comply with the GMA for the following reasons: the denial created an inconsistency with the comprehensive plan, master plan development regulations, and the GMA's requirements for MPRs; requiring Thousands Trails to submit an environmental impact statement did not comply with the State Environmental Policy Act (SEPA) rules and the County's MPR provisions; and the denial violated the GMA's Property Rights and Economic Development Goals.

The County claims that this Board does not have jurisdiction over its denial of Petitioner's proposal because the County has discretion to deny proposals unless the action proposed is needed to comply with a GMA requirement. In this decision, the Board finds that the GMA's provisions for designating new MPRs or for including existing MPRs in the County's

plans and regulations is optional, not mandatory. Likewise, the Board finds that the County's comprehensive plan and development regulations allow MPRs to be designated under certain procedures and conditions, but do not create a mandate for designation. Nor does the Board determine that denial of Petitioner's proposal causes an inconsistency between elements of the comprehensive plan nor the comprehensive plan and development regulations that needs correction. For these reasons, the Board concludes that without a mandate for the creation of an MPR in the GMA, the County's Comprehensive Plan and development regulations, the denial of Petitioner's proposal is not within the Board's jurisdiction. Having no jurisdiction over the denial also causes the Board to lack jurisdiction over Petitioner's SEPA claims and allegation of noncompliance with the GMA's Economic Development and Property Rights goals. For these reasons, the Board grants the County's motion to dismiss the case.

## II. PROCEDURAL HISTORY

In 2004, Thousand Trails, as part of the County's 2005 Update required by RCW 36.70A.130(1), applied for approval of its current and expanded recreational vehicle and camping facility. In mid 2005, the County adopted measures for the approval of MPRs. On September 10, 2007 Skagit County adopted Ordinance 020070009 that adopted the 2005 GMA update. The 2005 GMA update did not include Thousand Trails' proposal of a comprehensive map/zoning map amendment to change the designation of its property from Rural to MPR. On November 9, 2007 Thousand Trails Operations Holding Company filed a petition for review. The Petition alleged that the denial of its proposed amendment did not comply with the GMA, the County's comprehensive plan, or development regulations because the denial created a inconsistency between the elements of the plan and the plan and the development regulations. Additionally, Petitioner contended that the GMA, the County's comprehensive plan and development regulations contained mandates for the adoption of MPRs that required adoption of Petitioner's proposal.

A Notice of Hearing and Preliminary Schedule was issued on November 14, 2007.

On December 11, 2007, Petitioner and the County filed a Joint Request for Extension of Time for Settlement Discussions. An order granting the extension and setting a new schedule was issued on the same day. The order extended the Final Decision and Order Deadline to July 7, 2008, and set a time for the Prehearing Conference on February 8, 2008.

On February 8, 2008 a prehearing conference was held. Richard Aramburu represented Petitioner. Arne Denny, Deputy Prosecuting Attorney, represented Skagit County. Board Members Margery Hite and Holly Gadbaw attended, with Margery Hite presiding. Margery Hite announced she was leaving the Board, and that Holly Gadbaw would become the presiding officer for this case. The prehearing order was issued the same day.

On March 3, 2008 Skagit County filed its dispositive motion to dismiss for lack of jurisdiction.<sup>2</sup> Petitioner filed its Opposition by Thousand Trails to Skagit County's Motion to Dismiss (Petitioner's Opposition) on March 14. 2008. Skagit County filed a response brief<sup>3</sup> on March 18, 2008, even though the Prehearing Order did not provide for a response to Petitioner's Opposition.

A hearing on the County's motion was held in Mount Vernon, Washington on March 19, 2008. Board Members James McNamara and Holly Gadbaw attended, as well as the Boards' staff attorney, Julie Ainsworth-Taylor. Holly Gadbaw presided. Deputy Prosecutors Arne Denny and Jill Olson represented Skagit County. Richard Aramburu represented Petitioner. With no objection from the Petitioner, the County's response brief was allowed.

### III. BURDEN OF PROOF

For purposes of board review of the comprehensive plans and development regulations adopted by local government, the GMA establishes three major precepts: a presumption of

Case No. 07-2-0022

Western Washington Growth Management Hearings Board 515 15<sup>th</sup> Avenue SE P.O. Box 40953 Olympia, Washington 98504-0953

Phone: 360-725-3870 Fax: 360-664-8975

32

Order Granting Extension for Settlement Purposes and Setting Revised Preliminary Schedule.

<sup>&</sup>lt;sup>2</sup> Skaqit County's Dispositive Motion to Dismiss for Lack of Jurisdiction.

Skagit County's Response Re: Dispositive Motion to Dismiss for Lack of Jurisdiction. ORDER ON DISPOSITIVE MOTION

validity; a "clearly erroneous" standard of review; and a requirement of deference to the decisions of local government.

Pursuant to RCW 36.70A.320(1), comprehensive plans, development regulations and amendments to them are presumed valid upon adoption:

Except as provided in subsection (5) of this section, comprehensive plans and development regulations, and amendments thereto, adopted under this chapter are presumed valid upon adoption. RCW 36.70A.320(1).

The statute further provides that the standard of review shall be whether the challenged enactments are clearly erroneous:

The board shall find compliance unless it determines that the action by the state agency, county, or city is clearly erroneous in view of the entire record before the board and in light of the goals and requirements of this chapter. RCW 36.70A.320(3)

In order to find the County's action clearly erroneous, the Board must be "left with the firm and definite conviction that a mistake has been made." *Department of Ecology v. PUD1*, 121 Wn.2d 179, 201, 849 P.2d 646 (1993).

Within the framework of state goals and requirements, the boards must grant deference to local government in how they plan for growth:

In recognition of the broad range of discretion that may be exercised by counties and cities in how they plan for growth, consistent with the requirements and goals of this chapter, the legislature intends for the boards to grant deference to the counties and cities in how they plan for growth, consistent with the requirements and goals of this chapter. Local comprehensive plans and development regulations require counties and cities to balance priorities and options for action in full consideration of local circumstances. The legislature finds that while this chapter requires local planning to take place within a framework of state goals and requirements, the ultimate burden and responsibility for planning, harmonizing the planning goals of this chapter, and implementing a county's or city's future rests with that community. RCW 36.70A.3201 (in part).

In sum, the burden is on the Petitioner to overcome the presumption of validity and demonstrate that any action taken by the County is clearly erroneous in light of the goals and requirements of Ch. 36.70A RCW (the Growth Management Act). RCW 36.70A.320(2).

Where not clearly erroneous and thus within the framework of state goals and requirements, the planning choices of local government must be granted deference.

Where a motion to dismiss challenges the Board's subject-matter jurisdiction, the burden is on the Petitioner to show that the Board has jurisdiction. A finding of board jurisdiction is a necessary predicate to a determination of compliance or noncompliance under the GMA (Ch. 36.70A RCW).<sup>4</sup> Since the GMA places the burden of proof on the Petitioner, that burden must include a showing of jurisdiction:

Except as otherwise provided in subsection (4) of this section, the burden is on the petitioner to demonstrate that any action taken by a state agency, county, or city under this chapter is not in compliance with the requirements of this chapter.<sup>5</sup>

### IV. ISSUES TO BE DISCUSSED

Does the Growth Management Hearings Board have jurisdiction to review the following issues related Skagit County's failure to adopt site specific amendments to its comprehensive plan regarding Thousand Trails:

- Issue 1: Did Skagit County act in violation of its comprehensive plan
   (Comprehensive Plan at 4-71 through 4-75), Chapter 14.20 SCC, and the GMA at
   RCW 36.70A.360 and .362) in refusing to amend its comprehensive plan to include
   the Thousand Trails facility as an existing or expanded Master Planned Resort
   (MPR)?
- Issue 2: Did the County impermissibly require the Petitioner to submit an environmental impact statement for its MPR proposal in violation of 14.20.100 and WAC 197-11-360?
- Issue 3: Did Skagit County violate RCW 36.70a.020(6)( the property rights goal) by adopting rules and regulations that do not permit existing or expanded Thousand Trails development in any zone under the Skagit County code?

ORDER ON DISPOSITIVE MOTION Case No. 07-2-0022

April 3, 2008 Page 5 of 22

32

<sup>&</sup>lt;sup>4</sup> RCW 36.70A.280(1) and 36.70A.290(2)

<sup>&</sup>lt;sup>5</sup> RCW 36.70A.320(2)

23

27 28

30 31 32 Issue 4: Did Skagit County violate RCW 36.70A.020(5) the economic development goal) in denying Thousand Trails' MPR application because denial did not encourage economic development, promote the "retention and expansion of existing businesses" and encourage growth in areas experiencing insufficient economic growth?<sup>6</sup>

## V. DISCUSSION OF THE ISSUES

## A. JURISDICTION

# **Positions of the Parties**

# **County's Position**

The County argues that the Board has no jurisdiction over the Thousand Trails challenges because they all relate to the County's denial of adoption of a comprehensive plan amendment proposed by Thousand Trails which would re-designate property to an MPR as part of its GMA update. The County maintains that because it did not adopt a comprehensive plan amendment, there is no action for the Board to review. The County points out that the Board's jurisdiction is limited by RCW 36.70A.280 to the adoption of comprehensive plans and development regulations and amendments to these actions. The County also claims that the GMA imposes no duty to designate any property as an MPR.

To support its argument, Skagit County cites several Central Puget Sound Growth Management Hearings Board (CPSGMHB) cases<sup>8</sup> and an Eastern Washington Growth Management Hearings Board (EWGMHB)<sup>9</sup> case. The County says that both the EWGMHB and the CPSGMHB have held that the Growth Management Hearings Boards have no

<sup>&</sup>lt;sup>6</sup> Prehearing Order at 1 and 2.

Skagit County's Dispositive Motion to Dismiss for Lack of Jurisdiction (County's Motion) at 3.

<sup>&</sup>lt;sup>8</sup> Cole v. Pierce County (Cole), CPSGMHB Case No. 96-3-0009c (Final Decision and Order, July 1, 1996), Orchard Reach Partnership v. City of Fircrest (Orchard Reach), CPSGMHB Case No. 06-2-0019 (Order of Dismissal (July 6,2006), and Geoffrey D. Bidwell v. City of Bellevue, CPSGMHB Case No. 00-3-0009 (Order on Dispositive Motion (July 14, 2000).

Chipman v. Chelan County (Chipman), EWGMHB Case No. 05-1-0002 (Order of Dismissal, January 31, 2006).

jurisdiction over a city or county's failure to adopt a comprehensive plan amendment that is not a GMA mandate.<sup>10</sup>

## **Petitioner's Position**

Petitioner contends that the County's reliance upon the *Cole*, *Orchard Reach*, and *Chipman* decisions is misplaced because its challenge involves an amendment in which the County is obligated to carry out a specific GMA duty. Petitioner maintains that the County's failure to adopt its proposed comprehensive plan amendment causes an inconsistency in the County's comprehensive plan that violates RCW 36.70A.070. Petitioner states that the comprehensive plan identified two potential sites for MPRs, including the area near the Skagit Valley Casino. Petitioner points out this area is designated Rural, both before and after the County's required seven-year update. Therefore, Petitioner concludes that the County was required to resolve the inconsistency between the text of the comprehensive plan and its plan map by adopting the proposed MPR amendment as part of its required review and evaluation of its plan and development regulations required by RCW 36.70A.130(1).<sup>11</sup>

Additionally, Petitioner argues that the Board is obligated to review the County's rejection of its request for designation because the County's development regulations governing MPRs and its SEPA provisions require that MPR applications must be processed together with a comprehensive plan amendment. SCC 14.20.080 and SCC 14.20.100. Petitioner also asserts that this Board, in its decision in *Wristen-Mooney v. Lewis County,* <sup>12</sup> found that a county's decision on designation of MPRs in Lewis County, which used a review process similar to Skagit County, was subject to Board review.

<sup>&</sup>lt;sup>10</sup> County's Motion at 4, 5, and 6.

<sup>&</sup>lt;sup>11</sup> Opposition by Thousand Trails to Skagit County's Motion to Dismiss (Thousand Trails' Opposition) at 4 -7. <sup>12</sup> Wristen Mooney v. Lewis County, WWGMHB Case No. 05-2-0020(Final Decision and Order, March 23, 2006).

<sup>&</sup>lt;sup>13</sup> Petitioner's Opposition at 8 -10. ORDER ON DISPOSITIVE MOTION Case No. 07-2-0022 April 3, 2008 Page 7 of 22

# **Board Discussion**

RCW 36.70A.280(1) states (in pertinent part):

A growth management hearings board shall hear and determine only those petitions alleging either: (a) That a state agency, county, or city planning under this chapter is not in compliance with the requirements of this chapter, chapter 90.58 RCW as it relates to the adoption of shoreline master programs or amendments thereto, or chapter 43.21C RCW as it relates to plans, development regulations, or amendments, adopted under RCW 36.70A.040 or chapter 90.58 RCW...

Skagit County claims that the Board has no jurisdiction over the failure to adopt Petitioner's request because the County has no obligation to adopt a discretionary amendment. Because the County has not adopted a comprehensive plan amendment, no action exists for the Board to review. In a recent decision, *Concrete Nor'west v. Whatcom County* (*Concrete Nor'west*), WWGMHB Case No. 07-2-0028, Order on Dispositive Motion (Feb. 28, 2008), this Board said,

...the Board denies the County's motion to dismiss which is based on the argument that the Board lacks subject matter jurisdiction over any and all denials of comprehensive plan amendments. Where there is a mandate to act either in the Growth Management Act or the comprehensive plan, the failure to act in accordance with express requirements of either is subject to the Board's jurisdiction.<sup>14</sup>

This situation is not dissimilar to the CPSGMHB decisions in *Cole* and *Orchard Reach* and EWGMHB decision in *Chipman* that the County cites. Those cases held that Boards have no jurisdiction over a city or county's failure to adopt a comprehensive plan amendment that is not a GMA mandate. This Board found in the *Concrete Nor'west* that RCW 36.70A.280(1)'s limitations did not cause it to lose jurisdiction over any and all denials of a proposed amendment. In *Concrete Nor'west*, the Board held that it has jurisdiction over denials of proposed amendments where those denials fail to fulfill a mandate required by a comprehensive plan, development regulation or the GMA. <sup>15</sup> Therefore, the Board will examine whether the County's denial failed to fulfill a mandate of the express requirements of its comprehensive plan, development regulations, and/or the GMA.

<sup>&</sup>lt;sup>14</sup> Concrete Nor'west v. Whatcom County, WWGMHB Case No. 07-20028 (Order on Dispositive Motion, February 28, 2008) at 1.

<sup>&</sup>lt;sup>15</sup> Concrete Nor'west, at 9.
ORDER ON DISPOSITIVE MOTION
Case No. 07-2-0022
April 3, 2008
Page 8 of 22

#### 1. GMA Mandates

The Petition for Review alleges violations of RCW 36.70A.360 (MPRs) and RCW 36.70A.362 (existing MPRs). <sup>16</sup> Therefore, in determining whether the Board has jurisdiction over the County's denial of Petitioner's proposal to designate a MPR, the Board will examine whether GMA's requirements for MPRs create a mandate with which the County must comply.

RCW 36.70A.360 (1) states (in pertinent part, emphasis added):

Counties that are required or choose to plan under RCW 36.70A.040 *may permit* master planned resorts which may constitute urban growth outside of urban growth areas as limited by this section.

RCW 36.70A.362 (1) states (in the pertinent part, emphasis added):

Counties that are required or choose to plan under RCW 36.70A.040 *may include* existing resorts as master planned resorts which may constitute urban growth outside of urban growth areas as limited by this section.

The Board finds that both of these provisions use permissive language "may permit" and "may include" and do not establish a mandate for a County to designate new MPRs or include existing MPRs in its comprehensive plan. These sections of the GMA give the County the discretion to designate MPRs if they adopt the comprehensive plan policies and development regulations required by these sections. Therefore, the Board concludes that RCW 36.70A.360 and RCW 36.70A.362 do not create a mandatory requirement for the County to consider for designation MPRs.

# 2. Comprehensive Plan Mandates

Petitioner argues that the County was required to resolve any internal inconsistencies in its comprehensive plan during the review and evaluation required by RCW 36.70A.130(1). <sup>17</sup> Petitioner asserts that the County's action violates RCW 36.70A.070's mandate for consistency among comprehensive plan elements and RCW 36.70A.040's requirement that

<sup>&</sup>lt;sup>16</sup> Petition for Review at 5 and 6, Prehearing Order at 1 and 2.

<sup>&</sup>lt;sup>17</sup> Petitioner's Opposition at 6. ORDER ON DISPOSITIVE MOTION Case No. 07-2-0022 April 3, 2008 Page 9 of 22

the comprehensive plan and development regulations be consistent. Petitioner bases this claim on text in 2000 County Comprehensive Plan that identifies Petitioner's property as a potential site for an MPR, and the current comprehensive plan/zoning map that designates the property as Rural.<sup>18</sup>

The County objects to consideration of the text of the 2000 comprehensive plan as an exhibit since it was not included in the Index for the 2005 GMA update, and Petitioner did not ask to supplement the record with this document. If the Board decides to accept this document, the County argues that is not a comprehensive goal, objective, or policy, but simply introductory text. The County contends that this introductory text identifies a broad nonexclusive area that should be considered as an area suitable for a Master Planned Resort.<sup>19</sup>

# RCW 36.70A.130(1) requires:

Each comprehensive land use plan and development regulations shall be subject to continuing review and evaluation by the county or city that adopted them. Except as otherwise provided, a county or city shall take legislative action to review and, if needed, revise its comprehensive land use plan and development regulations to ensure the plan and regulations comply with the requirements of this chapter according to the time periods specified in subsection (4) of this section.

# RCW 36.70A.070 says (in the pertinent part):

The comprehensive plan of a county or city that is required or chooses to plan under RCW 36.70A.040 shall consist of a map or maps, and descriptive text covering objectives, principles, and standards used to develop the comprehensive plan. The plan shall be an internally consistent document and all elements shall be consistent with the future land use map.

# RCW 36.70A.040 (3)(d) says (in pertinent part):

Any county or city that is required to conform with all the requirements of this chapter, as a result of the county legislative authority adopting its resolution of intention under

<sup>19</sup> Skagit County's Response RE: Dispositive Motion to Dismiss for Lack of Jurisdiction at 2. ORDER ON DISPOSITIVE MOTION

Case No. 07-2-0022 April 3, 2008 Page 10 of 22 Western Washington Growth Management Hearings Board 515 15<sup>th</sup> Avenue SE P.O. Box 40953 Olympia, Washington 98504-0953

Phone: 360-725-3870 Fax: 360-664-8975

<sup>&</sup>lt;sup>18</sup> At the Hearing on Motions, Petitioner stated that the basis for utilizing the 2000 Comprehensive Plan was that this was the Plan in effect at the time Petitioner filed its application for amendment. The County's comprehensive plan that was amended by Ordinance 020070009 does not include this text.

subsection (2) of this section, shall take actions under this chapter as follows: ... (d) the county and each city that is located within the county shall adopt a comprehensive plan and development regulations that are consistent with and implement the comprehensive plan...

Skagit County's Comprehensive Plan says (in pertinent part):

The Interstate 5 corridor between Seattle and Vancouver, BC is a busy year-round thoroughfare for domestic and international travelers. Skagit County sits strategically between the two cities, and also serves as the Highway 20 crossroads between the San Juan Islands and the North Cascades National Park. Given the area's strategic location, the Upper Skagit Indian Tribe has purchased a substantial amount of property at the Bow Hill Road/ I-5 interchange which it sees as the core of the Tribe's economic development efforts and the primary source of current and future employment opportunities for its members...The Casino serves as a cornerstone of a master planning process for additional commercial and economic development that will draw heavily on the Tribe's culture, history, and relationship with the land. This is another area for consideration as a Master Planned Resort.<sup>20</sup>

This excerpt cited by Petitioner is in the introduction to the MPR section of the County's 2000 Comprehensive Plan. This introductory language presents a general description of the areas that could be considered for MPR designation, but is not a comprehensive plan policy or goal in and of itself. This language does not identify Petitioner's property specifically as an area to be considered for an MPR. Also, this text only says the area around the Casino is an area for "consideration" as an MPR. The Board does not find that this language creates a mandate to designate any specific property as an MPR nor does it limit the County's discretion in designating an MPR in this area. The Board further finds that the County's denial of the designation of Petitioner's property does not constitute an inconsistency between this language in the Plan and the Comprehensive Plan Map/Zoning Map such that it violates RCW 36.70A.070 or RCW 36.70A.040. Therefore, no inconsistency exists that County needs to correct to make its Comprehensive Plan and Comprehensive Plan Map/Zoning Map comply with RCW 36.70A.130(1).

3. Development Regulation Mandates

<sup>&</sup>lt;sup>20</sup> Skagit County's Comprehensive Plan (July 24, 2000) at 4-72.

32

Petitioner argues that the Board is obligated to review the County's rejection of its request for designation because the County's regulations governing MPRs, including those pertaining to SEPA review, require that MPR applications must be processed together with a comprehensive plan amendment.

Pertinent parts of the Skagit County code that apply in this case are the following: SCC 14.20.020 discusses the applicability of MPR development regulations (emphasis added):

Master planned resorts in the County *may be approved* as either existing master planned resorts pursuant to RCW 36.70A.362 or new master plan resorts pursuant to RCW 36.70A. 360. Designation of any master planned resort requires compliance with the provision of this Section and a formal site-specific amendment to the Comprehensive Plan Land Use Map subject to Chapter 14.08 SCC.

Chapter 14.08 of Skagit County's code sets out requirements for the adoption of comprehensive plan amendments:

- 14.08 .020(6) describes the requirements for submittal of rezones, which requires rezones to be processed with comprehensive plan amendments.
- SCC 14.08.030 (1) requires all requests for amendments to be considered in a single docket so that the cumulative impacts of the proposed amendments can be considered.
- SCC 14.08.030(3) authorizes planning staff to make a recommendation on which
  proposed amendments to consider, sets criteria for planning staff's review, and
  makes it clear that the County Commissioners will consider the staff's
  recommendation and will decide what petitions will be reviewed further as part of the
  annual docket.
- SCC 14.08.040(1) requires further environmental review for only proposed comprehensive plan amendments the County has decided to docket.
- SCC 14.20.90 requires "a site specific amendment of the Comprehensive Plan Land Use Map to Master Plan Resort land use designation, pursuant to the requirements of SCC 14.08.020".

## SCC 14.20.100 requires:

The Comprehensive Land amendment process shall evaluate all probable and significant adverse environmental impacts of the entire proposal, even if the proposal is to be developed in phases, and these impacts should be considered in determining whether any particular location is suitable for Master Planned Resort.

SCC 14.20.160 sets for the criteria for MPR approval (in pertinent part, emphasis added):
...an application for a Comprehensive Plan Land Use Map amendment, resort master plan ... to develop any parcel or parcels of land as an MPR may be approved, or approved with modifications, if it meets all of the criteria below. If no reasonable conditions or modifications can be imposed to ensure that the application meets all of the criteria below, then the application shall be denied.

A proposal to designate an MPR is a rezone. The County's regulations governing approval of rezones require that all petitions for rezones be processed with a comprehensive plan amendment with the exception of rezones in UGAs. SCC 14.08.020(1) and (6). Since Petitioner's request for designation of its property as an MPR requires a rezone from Rural to MPR, the County would require a comprehensive plan amendment along with the development proposal, even if the regulations governing MPRs did not require this. The MPR regulations mirror the process set out in the County's procedures for comprehensive plan amendments. SCC 14.20.090. Also, the County gives no guarantees that rezones, including MPRs, would be docketed for consideration and are subject to the same criteria for consideration as other comprehensive plan amendments that accompany development code changes. SCC 14.08.030(3). Additionally, SCC 14.08.040 provides a clear explanation that proposed amendments will be considered together for cumulative impacts to enable the County Commissioners to make a decision on which proposed amendments to docket. Finally, SCC 14.08.040 requires further environmental review for proposals that the County has decided to docket.

The County has codified its process for considering comprehensive plan amendments, including comprehensive land use plan map amendments. This process for docketing amendments was established in 2000. <sup>21</sup> There is no indication in the record that this process is noncompliant nor is there any challenge or evidence that the County did not follow its established process. The Board's review of the County's comprehensive plan amendment process finds no support for the argument that County's process for considering

<sup>&</sup>lt;sup>21</sup> Skagit County Code at Chapter 14.08. ORDER ON DISPOSITIVE MOTION Case No. 07-2-0022 April 3, 2008 Page 13 of 22

and deciding what proposed comprehensive amendments to docket create a mandate for the approval of comprehensive plan amendments that is reviewable by the Board.

As the Board concluded *supra*, RCW 36.70A.360 and RCW 36.70A.362 do not require MPRs but do impose limitations on counties when approving MPRs. Likewise, the provisions in Chapter 14.20 of the Skagit County Code do not mandate the approval of MPR and, like the GMA, also impose conditions on their approval. SCC 14.20.020 repeats that language of the GMA and states, "Master planned resorts in the County may be approved as either existing master planned resorts pursuant to RCW 36.70A.362 or new master plan resorts pursuant to RCW 36.70A. 360." SCC 14.20.160 states "an application for a Comprehensive Plan Land Use Map amendment, resort master plan ... to develop any parcel or parcels of land as an MPR may be approved, or approved with modifications, if it meets all of the criteria below. If no reasonable conditions or modifications can be imposed to ensure that the application meets all of the criteria below, then the application shall be denied." Here, the SCC, like the GMA, uses permissive "may be approved" language that allows MPRs to be approved based on the fulfillment of certain conditions, but does not mandate approval. In fact, the SCC 14.20.160 specifically directs denial if conditions imposed on MPRs are not met. Based on an analysis of the SCC Chapter 14.20, the Board finds no mandate that imposes Board review.

Conclusion: The County's Comprehensive Plan and the GMA do not create a mandate to designate Petitioner's property as an MPR or limit the County's discretion in designating Petitioner's property as an MPR. The designation of Petitioner's property as an MPR is not mandated by either the County's comprehensive plan, or needed to comply with RCW 36.70A.070 and RCW 36.70A.040. It does not create an inconsistency among the plan and Comprehensive Plan map/Zoning Map that the County was required to correct as part of its review and evaluation required by RCW 36.70A.130(1). Therefore, the County's refusal to designate Petitioner's property an MPR is not an action over which this Board has jurisdiction pursuant to RCW 36.70A.280(1).

The Board further concludes that MPRs are an option that counties can designate if they adopt comprehensive policies and development regulations as specified by RCW 36.70A.360 and RCW 36.70A.362. The County development regulations allow for MPRs if certain criteria are met but do not mandate them. Because no mandate exists for counties to adopt MPRs either in the GMA, in the County's Comprehensive Plan, or in the County's development regulations, the rejection of a MPR is not subject to the Board's jurisdiction pursuant to RCW 36.70A.280(1).

# **B. SEPA CHALLENGE**

# **County's Position**

The County argues that the since the Board has jurisdiction to consider only SEPA violations that relate to the adoption of comprehensive plans, development regulations, and amendments to these actions, the Board has no jurisdiction over any SEPA determination taken by the County based on a denial. Further, the County says that because a comprehensive plan amendment was not considered by the County as part of its update required by RCW 36.70A. 130(1), no environmental impact statement was required of Thousand Trails.<sup>22</sup>

#### **Petitioner's Position**

Petitioner argues that SEPA review is properly before the Board because the action challenged is an action clearly within the Board's jurisdiction. Petitioner contends that the County disregarded its own SEPA procedures. Petitioner says that Skagit County issued a Determination of Non-significance in February 2006, calling it a "non-project action to consider amendments to its Comprehensive Plan and Comprehensive Plan/Zoning Map". Petitioner states that the Plan Update Proposal included the Thousand Trails request for a map amendment. Nearly a year later in February 2007, Petitioner declares, the County determined that further consideration of the Thousand Trails map amendment would require

<sup>&</sup>lt;sup>22</sup> County's Motion at 7 and 8.

preparation of a full Environmental Impact Statement (EIS). Petitioner asserts that the change in determination arose completely outside the procedure governing the timing of threshold determinations according to WAC 197-11-310 and -360 and, the special procedure governing consolidated review of Comprehensive Plan and MPR applications in SCC 14.20.100, and for that reason, the County was foreclosed from requiring a preparation of EIS.<sup>23</sup>

# **Board Discussion**

The Board found *supra* that it did not have jurisdiction in accordance with RCW 36.70A.280(1) over the County's decision not to consider a comprehensive plan amendment to designate Petitioner property a MPR because the GMA, the County's Comprehensive Plan, and development regulations did not require it. Although RCW 36.70A.280(1) gives the Board jurisdiction over SEPA challenges for GMA actions, because the Board has found we have no jurisdiction over this proposed comprehensive plan amendment, we also have no jurisdiction over Petitioner's SEPA challenge. Petitioner concedes that "the scope of the Board's SEPA review under RCW 36.70A.280 is limited to determinations that relate to actions taken under GMA."24

The evidence presented to the Board by Petitioner does not support the claim that the County required an EIS for further consideration of its proposal. The planning staff's memo provided by Petitioner shows that the staff recommended that if the proposal went forward, than an EIS would be required.<sup>25</sup> That memo stated: "[S]hould the Planning Commission recommend that this proposal be moved to the Group-A category then an EIS would indeed be required." <sup>26</sup> No decision was made to require an EIS. Further, environmental review was not required, because the County Council did not docket Petitioner's proposal. As discussed supra, SCC 14.08.030 (1) and 14.08.040 set forth a two-step environmental

31 32

<sup>&</sup>lt;sup>23</sup> Petitioner's Opposition at 9.

<sup>&</sup>lt;sup>25</sup> February 13, 2007, Memorandum to Skagit County Planning Commission from Planning and Development Services Staff RE: Deliberations on Master Planned Resorts (MPR) Map Amendments at 2. <sup>26</sup> Id. at 2.

review process for comprehensive plan amendments. This process has been in effect since 2000. First, SCC 14.08.030(1) requires all proposed amendments to be considered for cumulative impacts to assist in determining what proposals to docket for further consideration. Next, if the County Commissioners decide to docket a proposed comprehensive plan map amendment, then SCC 14.08.040 requires an environmental checklist and threshold determination. The Board does not find this inconsistent with SCC 14.20.100, part of the County's MPR regulations that require all of the probable significant adverse impacts for the entire proposal to be evaluated and considered in deciding whether any particular location is suitable for MPR designation.

Petitioner fails to explain how this process violates the timing of threshold determinations provided for in WAC 197-11- 310 and -360. Petitioner's premise is that the County initially issued a DNS for the 2005 GMA update, and then later required an EIS for the Thousand Trails proposed amendment. However, as it is clear that the County never in fact required the preparation of EIS, this argument fails.

**Conclusion:** Based on the foregoing, we find that the Board has no jurisdiction over the Petitioner's SEPA claims. Further, Petitioner has failed to show that the County's code requirements for evaluating environmental impacts of comprehensive plan map amendments for MPRs are inconsistent or how they violate WAC 197-11-310 and 360.

### C. PROPERTY RIGHTS AND ECONOMIC DEVELOPMENT CHALLENGES

Within its PFR and Opposition to Motion, Petitioner alleges violations of the 36.70A.020(5) and 36.70A.020(6), respectively the GMA's economic development and property rights goals. Because the Board found *supra* that the Board does not have jurisdiction to consider Petitioner's challenge to the rejection of its comprehensive plan amendment, the Board finds that it also has no jurisdiction over Petitioner's challenges that this action violates RCW 36.70A.020(5) and RCW 36.70A.020(6).

32

# VI. FINDINGS OF FACT

- 1. Skagit County is a county located west of the crest of the Cascade Mountains that is required to plan pursuant to RCW 36.76A.040.
- 2. In 2004, Thousand Trails, as part of the County's 2005 Update required by RCW 36.70A.130(1), applied for approval of its current and expanded recreational vehicle and camping facility.
- 3. In mid 2005, the County adopted measures for the approval of MPRs.
- 4. On September 10, 2007 Skagit County adopted Ordinance 020070009 that adopted the 2005 GMA update.
- The 2005 GMA update did not include Thousand Trails' proposed comprehensive map/zoning map amendment to change the designation of its property from Rural to MPR.
- 6. Petitioner participated in writing in the process to adopt Ordinance 020070009.
- 7. On November 9, 2007 Petitioner filed a timely Petition for Review.
- RCW 36.70A.360 and RCW 36.70A.362 give the County the discretion to designate MPRs if they adopt the comprehensive plan policies and development regulations required by these sections.
- 9. The introductory language to the MPR section of the County's 2000 comprehensive plan presents a general description of the areas that could be considered for MPR designation, but is not a comprehensive plan policy or goal in and of itself.
- 10. This language does not identify Petitioner's property specifically as an area to be considered for an MPR.
- 11. Also, this text only says the area around the Casino is an area for "consideration" as an MPR.
- 12. A proposal to designate an MPR is a rezone.
- 13. The County's regulations governing approval of rezones require that all petitions for rezones be processed with a comprehensive plan amendment with the exception of rezones in UGAs. SCC 14.08.020 (1) and (6).

- 14. The MPR regulations mirror the process set out in the County's procedures for comprehensive plan amendments. SCC 14.20.090.
- 15. The County gives no guarantees that rezones, including MPRs, would be docketed for consideration and are subject to the same criteria for consideration as other comprehensive plan amendments that accompany development code changes. SCC 14.08.030(3).
- 16. SCC 14.08.040 provides a clear explanation that proposed amendments will be considered together for cumulative impacts to enable the County Commissioners to make a decision on which proposed amendments to docket.
- 17. SCC 14.08.040 requires further environmental review for proposals that the County has decided to docket.
- 18. In 2000, the County codified its process for considering comprehensive plan amendments, including comprehensive land use plan map amendments.
- 19. There is no indication in the record that this process is noncompliant nor is there any challenge or evidence that the County did not follow its established process.
- 20. SCC 14.20.020 repeats the language of RCW 36.70A.360 and RCW 36.70A.362 and states, "Master planned resorts in the County *may be approved* as either existing master planned resorts pursuant to RCW 36.70A.362 or new master plan resorts pursuant to RCW 36.70A.360."
- 21.SCC 14.20.160 states "an application for a Comprehensive Plan Land Use Map amendment, resort master plan ... to develop any parcel or parcels of land as an MPR *may be approved*, or approved with modifications, if it meets all of the criteria below. *If no reasonable conditions or modifications can be imposed* to ensure that the application meets all of the criteria below, *then the application shall be denied.*"
- 22. SCC 14.20.160, like the GMA, uses permissive "may be approved" language that allows MPRs to be approved based on the fulfillment of certain conditions, but does not mandate approval and specifically directs denial if conditions imposed on MPRs are not met.

- 23. Petitioner concedes that "the scope of the Board's SEPA review under RCW 36.70A.280 is limited to determinations that relate to actions taken under GMA.
- 24. A February 13, 2007, planning staff memo provided by Petitioner shows that the staff recommended that if the proposal went forward, than an EIS would be required.
- 25. Further environmental review was not required, because the County Council did not docket Petitioner's proposal.
- 26. SCC 14.08.030(1) requires all proposed amendments to be considered for cumulative impacts to assist in determining what proposals to docket for further consideration. If the County Commissioners decide to docket a proposed comprehensive plan map amendment, then SCC 14.08.040 requires an environmental checklist and threshold determination.
- 27.SCC 14.20.100, part of the County's MPR regulations, require all of the probable significant adverse impacts for the entire proposal to be evaluated and considered in deciding whether any particular location is suitable for MPR designation.
- 28. Petitioner fails to explain how this process violates the timing of threshold determinations provided for in WAC 197-11- 310 and -360.
- 29. Any Finding of Fact later determined to be a Conclusion of Law is adopted as such.

#### VII. CONCLUSIONS OF LAW

- A. The Western Washington Growth Management Hearings Board has jurisdiction over the parties to this case.
- B. Petitioners have standing to raise the challenges in the Petition for Review.
- C. RCW 36.70A.360 and RCW 36.70A.362 do not establish a mandate for a County to designate new MPRs or include existing MPRs in its comprehensive plan.
- D. The designation of Petitioner's property as an MPR is not mandated by either the County's comprehensive plan, or needed to comply with RCW 36.70A.070 and RCW 36.70A.040.

- E. Denial of the designation of Petitioner's property does not create an inconsistency that County the needs to correct in order to make its Comprehensive Plan and Comprehensive Plan Map/Zoning Map comply with RCW 36.70A.130(1).
- F. Because no mandate exists for counties to adopt MPRs either in the GMA, in the County's Comprehensive Plan, or in the County's development regulations, the rejection of a MPR is not subject to the Board's jurisdiction pursuant to RCW 36.70A.280(1).
- G. Because the Board found that it does not have jurisdiction to consider Petitioner's challenge to the rejection of its comprehensive plan amendment, the Board finds that it also has no jurisdiction over Petitioner's SEPA claims and its challenges that this action violates RCW 36.70A.020(5) and RCW 36.70A.020(6) pursuant to RCW 36.70A.280(1).
- H. Petitioner has failed to show that the County's code requirements for evaluating environmental impacts of comprehensive plan map amendments for MPRs are inconsistent or how they violate WAC 197-11-310 and 360.
- I. Any Conclusion of Law later determined to be a Finding of Fact is adopted as such.

#### VIII. ORDER

Based upon a review of the Petition for Review, the briefs and exhibits submitted by the parties, and having considered oral argument, and deliberated, the County's motion to dismiss the Petition for Review is GRANTED.

SO ORDERED this 3rd day of April, 2008.

Holly Gadbaw, Board Member
James McNamara, Board Member

Pursuant to RCW 36.70A.300 this is a final order of the Board.

Reconsideration. Pursuant to WAC 242-02-832, you have ten (10) days from the

ORDER ON DISPOSITIVE MOTION Case No. 07-2-0022 April 3, 2008 Page 21 of 22 Western Washington Growth Management Hearings Board 515 15<sup>th</sup> Avenue SE P.O. Box 40953 Olympia, Washington 98504-0953 Phone: 360-725-3870

mailing of this Order to file a petition for reconsideration. Petitions for reconsideration shall follow the format set out in WAC 242-02-832. The original and three copies of the petition for reconsideration, together with any argument in support thereof, should be filed by mailing, faxing or delivering the document directly to the Board, with a copy to all other parties of record and their representatives. Filing means actual receipt of the document at the Board office. RCW 34.05.010(6), WAC 242-02-330. The filing of a petition for reconsideration is not a prerequisite for filing a petition for judicial review.

<u>Judicial Review</u>. Any party aggrieved by a final decision of the Board may appeal the decision to superior court as provided by RCW 36.70A.300(5). Proceedings for judicial review may be instituted by filing a petition in superior court according to the procedures specified in chapter 34.05 RCW, Part V, Judicial Review and Civil Enforcement. The petition for judicial review of this Order shall be filed with the appropriate court and served on the Board, the Office of the Attorney General, and all parties within thirty days after service of the final order, as provided in RCW 34.05.542. Service on the Board may be accomplished in person, by fax or by mail, but service on the Board means actual receipt of the document at the Board office within thirty days after service of the final order.

<u>Service.</u> This Order was served on you the day it was deposited in the United States mail. RCW 34.05.010(1)

ORDER ON COUNTY'S MOTION TO DISMISS FOR LACK OF JURISDICTION Case No. 07-2-0022 March 31, 2008 Page 23 of 1 Western Washington Growth Management Hearings Board 515 15<sup>th</sup> Avenue SE P.O. Box 40953 Olympia, Washington 98504-0953 Phone: 360-725-3870

Western Washington Growth Management Hearings Board 905 24th Way SW, Suite B-2 Olympia, WA 98502 P.O. Box 40953 Olympia, Washington 98504-0953 Phone: 360-664-8966 Fax: 360-664-8975